

State of Arizona
Senate
Forty-eighth Legislature
First Regular Session
2007

SENATE BILL 1164

AN ACT

AMENDING TITLE 15, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-461; AMENDING LAWS 2005, CHAPTER 191, SECTION 3; RELATING TO SCHOOL DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 15, chapter 4, article 3, Arizona Revised Statutes,
3 is amended by adding section 15-461, to read:

4 15-461. Transporting school districts: joining existing school
5 districts

6 A. IF A SCHOOL DISTRICT DOES NOT OFFER A FULL-TIME INSTRUCTIONAL
7 PROGRAM AS DEFINED IN SECTION 15-901 IN ANY GRADE LEVEL TO THE PUPILS WHO
8 RESIDE IN THAT SCHOOL DISTRICT, TRANSPORTS ALL OF THE PUPILS WHO RESIDE IN
9 THAT SCHOOL DISTRICT TO AN ADJACENT SCHOOL DISTRICT OR SCHOOL DISTRICTS FOR
10 INSTRUCTION AND TRANSPORTS MORE THAN THREE HUNDRED FIFTY PUPILS ANNUALLY TO
11 AN ADJACENT SCHOOL DISTRICT OR SCHOOL DISTRICTS, THE COUNTY SCHOOL
12 SUPERINTENDENT SHALL DISSOLVE THE TRANSPORTING SCHOOL DISTRICT AND ANNEX THE
13 GEOGRAPHIC BOUNDARIES OF THE TRANSPORTING SCHOOL DISTRICT TO THE ADJACENT
14 SCHOOL DISTRICT THAT PROVIDES INSTRUCTION TO THE MAJORITY OF THE PUPILS WHO
15 RESIDE IN THE TRANSPORTING SCHOOL DISTRICT.

16 B. THE COUNTY SCHOOL SUPERINTENDENT SHALL MAKE THE RECORD OF
17 BOUNDARIES CONFORM TO THE ANNEXATION AND SHALL NOTIFY THE BOARD OF
18 SUPERVISORS AND THE COUNTY ASSESSOR OF THE BOUNDARY CHANGE. THE CHANGE IS
19 EFFECTIVE IMMEDIATELY ON NOTIFICATION FROM THE COUNTY SCHOOL SUPERINTENDENT.

20 C. THE TERMS OF THE GOVERNING BOARD MEMBERS OF THE PREVIOUSLY EXISTING
21 TRANSPORTING SCHOOL DISTRICT DO NOT EXPIRE ON THE EFFECTIVE DATE OF THE
22 DISSOLUTION OF THE SCHOOL DISTRICT AND CONTINUE UNTIL JANUARY 1 FOLLOWING THE
23 NEXT GENERAL ELECTION, DURING WHICH TIME THE MEMBERS OF THE GOVERNING BOARD
24 OF THE PREVIOUSLY EXISTING TRANSPORTING SCHOOL DISTRICT SHALL SERVE AS
25 ADDITIONAL MEMBERS OF THE GOVERNING BOARD OF THE ADJACENT SCHOOL DISTRICT.

26 D. THE ADJACENT SCHOOL DISTRICT SHALL REVISE ITS ANNUAL BUDGET TO
27 REFLECT THE ANNEXATION OF THE TRANSPORTING SCHOOL DISTRICT.

28 E. THE ADJACENT SCHOOL DISTRICT IS LIABLE FOR ALL INDEBTEDNESS AND
29 LIABILITIES, BONDED OR OTHERWISE, OUTSTANDING AGAINST THE DISSOLVED
30 TRANSPORTING SCHOOL DISTRICT, AND ALL PROPERTY, BALANCES AND DEFICITS OF THE
31 DISSOLVED TRANSPORTING SCHOOL DISTRICT BECOME THE PROPERTY, BALANCES AND
32 DEFICITS OF THE ADJACENT SCHOOL DISTRICT.

33 Sec. 2. Laws 2005, chapter 191, section 3 is amended to read:

34 Sec. 3. School district redistricting commission; membership;
35 duties

36 A. The school district redistricting commission is established
37 consisting of the following members:

38 1. Four members who are not members of the legislature and who are
39 appointed by the president of the senate, no more than three of whom shall be
40 members of the same political party.

41 2. Four members who are not members of the legislature and who are
42 appointed by the speaker of the house of representatives, no more than three
43 of whom shall be members of the same political party.

44 3. Four members who are appointed by the governor, at least one of
45 these members shall be a certified teacher in this state, at least one of

1 these members shall be an administrator of a school in this state and at
2 least one of these members shall be a member of a school district governing
3 board in this state.

4 4. The superintendent of public instruction or the superintendent's
5 designee.

6 B. The commission shall elect a chairperson and a cochairperson from
7 the voting members. A quorum shall consist of a majority of the voting
8 members.

9 C. The department of education shall provide staff for the commission,
10 and the joint legislative budget committee, the governor's office of
11 strategic planning and budgeting, the school facilities board, any county
12 school superintendent in this state and any county assessor in this state
13 shall provide staff support, assistance and resources to the commission at
14 the request of the commission.

15 D. Commission members are not eligible to receive compensation, but
16 members are eligible for reimbursement of expenses under title 38, chapter 4,
17 article 2, Arizona Revised Statutes. Monies shall be paid from
18 appropriations made to the department of education.

19 E. The commission shall review all current common school districts
20 that are not part of a unified school district and consider combining these
21 common school districts into a new unified district or combining common
22 school districts with a union high school district to create unified
23 districts that offer instruction to students in programs for preschool
24 children with disabilities and kindergarten programs and grades one through
25 twelve.

26 F. THE COMMISSION SHALL REVIEW ALL SCHOOL DISTRICTS THAT TRANSPORT ALL
27 OF THEIR PUPILS TO ANOTHER SCHOOL DISTRICT FOR INSTRUCTION AND CONSIDER
28 COMBINING THESE SCHOOL DISTRICTS WITH NEW OR EXISTING UNIFIED DISTRICTS.

29 G. The commission's recommendations may include enlarging or
30 diminishing the size of affected school districts but shall also include
31 unorganized territories within recommended unified districts where
32 practicable. The commission may also determine that, based on the factors
33 considered by the commission in subsection ~~F~~ H of this section, an existing
34 common school district should remain a common school district and not be
35 included in a new unified school district recommendation.

36 ~~F~~ H. The commission shall submit a preliminary report on the
37 proposed school district unification plan to the governing boards of the
38 affected school districts by April 30, 2007. The governing boards of the
39 affected school districts shall review the preliminary report and may submit
40 comments to the commission by ~~July 30~~ SEPTEMBER 15, 2007, which may include
41 specific recommendations to modify the proposed unification plan or
42 recommendations of one or more alternative unification plans. The commission
43 shall consider the recommendations of the governing boards of the affected
44 school districts and then design and submit to the governor on or before

1 December 31, 2007 a proposed school district unification plan that includes
2 the following components:

3 1. Basing the unification plan on relevant academic and scientific
4 research regarding school size, school district size, fiscal implications and
5 legal issues that may include the following:

6 (a) Use by any of the affected districts of section 15-910 or
7 15-910.01, Arizona Revised Statutes.

8 (b) Estimated adjustment of both the primary and secondary tax rates
9 of the affected districts.

10 (c) Application of a career ladder program if not all of the affected
11 districts currently participate.

12 (d) Application of overrides authorized under title 15, chapter 4,
13 article 4, Arizona Revised Statutes.

14 (e) Estimated potential savings and efficiencies to be achieved
15 through the recommended unification.

16 (f) Application of teacher experience indexes and existing salary
17 schedules of affected districts.

18 (g) Potential impact on facilities needs due to unification.

19 (h) CONSIDERATION OF THE POSSIBILITY OF A SUPERINTENDENT CONTRACT
20 BUY-OUT.

21 (i) COMPLIANCE WITH THE REQUIREMENTS OF THE FEDERAL VOTING RIGHTS ACT
22 OF 1965 (42 UNITED STATES CODE, SEC. 1973).

23 (j) CONSIDERATION OF THE USE OF A WARD SYSTEM FOR THE ELECTION OF
24 GOVERNING BOARD MEMBERS.

25 2. Considering geographic boundaries and travel time of pupils. The
26 commission may recommend enlarging or diminishing the size of affected school
27 districts.

28 3. Developing a plan for unorganized territories that requires the
29 inclusion of areas where at least one per cent of the population attends a
30 public school within the boundaries of a unified school district.

31 4. The provision of regional or statewide services for administration,
32 instructional and noninstructional support services to rural or isolated
33 schools and rural and isolated school districts, or any other school district
34 that wishes to participate in the service plans.

35 5. Ensuring a smooth and efficient transition from the current number
36 of school districts in this state to the number of school districts proposed
37 in the school district unification plan, including an examination of the
38 following:

39 (a) Increasing the membership of school district governing boards to
40 nine members, especially in large school districts and school districts
41 located in urban areas.

42 (b) Mechanisms to allow the elected members of existing school
43 district governing boards to serve out the remainder of their terms.

44 (c) Assimilation by the unified school districts proposed in the
45 school district unification plan of the legal liabilities and other financial

1 and contractual obligations of the school districts being combined into a
2 unified school district.

3 6. The development of a statewide uniform school district naming
4 convention under which each school district would be assigned a legal
5 designation by county and school district number.

6 7. The review of existing statewide or regional educational service
7 agencies and the establishment where necessary of new statewide or regional
8 educational service agencies to provide for the noninstructional support of
9 school districts in the state.

10 8. The restructuring of the state's school districts as follows:

11 (a) All school districts in this state shall be unified districts that
12 serve students in at least all grades from kindergarten through grade twelve,
13 unless the commission determines otherwise.

14 (b) School districts shall be classified as rural unified school
15 districts if their student count is less than five hundred.

16 (c) School districts shall be classified as independent unified school
17 districts if their student count is more than six thousand.

18 (d) The consideration of the elimination of statutory budget
19 exemptions for school districts with a student count of less than one hundred
20 twenty-five.

21 9. Ensuring that the unification plan preserves local control while at
22 the same time maximizing an efficient and cost-effective delivery of
23 educational services.

24 10. Providing specific mechanisms for the payment of legal liabilities,
25 contractual obligations, capital debt and overrides previously accumulated by
26 school districts before the implementation of the unification plan and the
27 acquisition of legal liabilities, contractual obligations, capital debt and
28 overrides by school districts after the implementation of the unification
29 plan.

30 11. Identifying costs attributable to a unification plan subject to the
31 approval of the joint legislative budget committee.

32 ~~G.~~ I. The commission shall hold public hearings and hear testimony
33 regarding the unification of every affected school district. Hearings shall
34 be held throughout the state and shall include rural school districts. The
35 commission shall provide notice to the public at least three weeks in advance
36 of any hearing in the local district offices and in the local newspapers.

37 ~~H.~~ J. The commission shall include in the final report on the
38 proposed unification recommendations an estimate of the impact to the state
39 general fund if the proposed recommendations are approved by the voters in
40 the affected school districts and the estimated cost of the elections
41 required by the unification recommendations for reimbursement to the school
42 districts.

43 ~~I.~~ K. The governor shall sign the report submitted by the commission
44 and shall file the report with the secretary of state.

1 ~~L.~~ L. The legislature shall not appropriate any monies for use by the
2 school district redistricting commission pursuant to this section.

3 Sec. 3. School district unification; new school facilities fund

4 Notwithstanding section 15-2041, subsection D, paragraph 4, Arizona
5 Revised Statutes, a school district that unifies pursuant to Laws 2005,
6 chapter 191, section 3, as amended by this act, may be eligible for monies
7 distributed from the new school facilities fund.

8 Sec. 4. Unification; former common school districts

9 A. A common school district that is not within the boundaries of a
10 high school district and that was authorized by the qualified electors to
11 establish a unified school district with boundaries coterminous with the
12 boundaries of the common school district in an election held before the
13 effective date of this section may continue calculating its budget and
14 equalization assistance pursuant to section 15-951, Arizona Revised Statutes,
15 until a high school is constructed for the newly formed unified school
16 district, or until June 30, 2011, whichever occurs first.

17 B. A newly formed unified school district that meets the requirements
18 of subsection A of this section and that phases in instruction for pupils in
19 grades nine through twelve may continue calculating its budget and
20 equalization assistance pursuant to section 15-951, Arizona Revised Statutes,
21 for a maximum of three years after the first year of the operation of the new
22 high school in the newly formed unified school district.

23 C. Notwithstanding this section or any other law, a school district
24 shall not retroactively adjust its budget for any fiscal year pursuant to
25 this section.

26 Sec. 5. Emergency

27 This act is an emergency measure that is necessary to preserve the
28 public peace, health or safety and is operative immediately as provided by
29 law.